

QUINLAN & SADOWSKI, P.C.

ATTORNEYS AT LAW

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March 4, 2003

VIA FACSIMILE AND U.S. MAIL

Mr. Rocco Izzo
S & R Construction
60 Dyerville Avenue
Johnston, Rhode Island 02919-4408

Mr. Alan Pavlic
Bond Claim Department
Hartford Insurance Company
Hartford Plaza
Hartford Connecticut 06115

**Re: S. & R. Construction Company-Eastern Contractors, Inc.
Bonded Projects -Default Notice**

Greene/Spencer Borden Schools-Fall River, Mass.	Bond #02 BCSAA 8196
Freetown-Lakeville Middle School-Lakeville, Mass.	Bond #02BCSAA8193
Lynnfield Middle School, Lynnfield, Mass.	Bond #02BCSAP4614
Medway High School, Medway, Mass.	Bond #02BCSAP 4629
Normandin Middle School, New Bedford, Mass.	Bond #02BCSAP4618
South Street Elementary School, Waltham, Mass.	Bond #02BCSAA 8192
Wetherbee Elementary School, Lawrence, Mass.	Bond #02BCSAP 4612
Lincoln-Sudbury High School, Sudbury, Mass.	

NOTICE OF DEFAULT TERMINATION

Gentlemen:

Please be advised that this office represents Eastern Contractors, Inc. (Eastern) of Framingham, Mass. which is the General Contractor on the above referenced projects and for which Eastern has sub-contracts with S. & R. Construction for the performance of site work, excavation, and related work as further described in the contract documents.

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As indicated in previous correspondence, dated September 24, 2002 and subsequent correspondence directed to both S & R Construction and Hartford Insurance Company, S & R Construction has been in default of its contract obligations on its subcontract with Eastern Contractors, Inc..

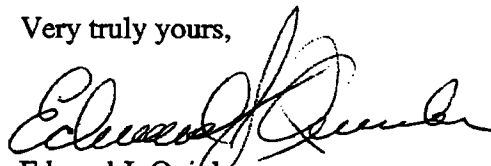
Despite repeated requests for performance in accordance with the subcontract, plans and specifications, orders of condition and other directives received from Eastern, S & R Construction Company, Inc. has persistently or repeatedly refused or failed to furnish and supply properly skilled workmen or materials for the Projects; has failed to make prompt payment to its subcontractors or suppliers; has persistently disregarded regulations and orders of public authorities governing performance of work on the subcontract; and has persistently disregarded and violated orders and directives of the general contractor, the architect, and has committed substantial violations of conditions of the contract.

As a consequence of such failure to adhere to and fulfill obligations under the subcontract, you are hereby notified that S & R Construction Company, Inc. is in default of its subcontracts and such subcontracts are terminated forthwith.

Eastern Contractors, Inc. reserves all rights under the subcontracts and related agreements, and will seek all of its rights and remedies available pursuant to bonds furnished by the Hartford Insurance Company for the above listed projects, and will look to S & R Construction Company, Inc. and sureties for any loss, costs, expense or liability accruing to Eastern Contractors, Inc. as a consequence of the failure of S & R Construction Company to fulfill its obligations.

If you have any questions regarding this matter, please feel free to have your attorney contact me.

Very truly yours,



Edward J. Quinlan

EJQ/cbl

cc: Eastern Contractors Inc.
cc: Brad Carver, Esq. Cetrulo & Capone